

REPORT OF PROCEEDINGS OF THE CONFERENCE.

just mentioned, and run that across to New Zealand, would that ship be a coasting ship, or what would she be? Or how would it affect goods shipped in the original ship under a through bill of lading, and going through to New Zealand?

HON. DUGALD THOMSON: I understand we are not providing conjointly for these two Colonies; we are providing for each separately by itself.

SIR JOSEPH WARD: Our law is quite clear upon the point which Mr. Belcher refers to. In that case the vessel would be a coastal vessel when she got on to our coast, and if her cargo was for Auckland, say, and she then went to Wellington, she could land the whole at Wellington, and another steamer could come down on the same line and pick up that steamer's cargo and carry it to Auckland. We say in our law: "Provided that this section shall not apply to ships arriving from abroad with passengers or cargo, but not trading in New Zealand waters otherwise than for the purpose of discharging such passengers or cargo in New Zealand." What we do there is that we protect our own coastal trade, but allow the outsider to carry his cargo to its original destination.

MR. BELCHER: I take it, that that clause applies only to the ship which carries its own original cargo from the port of embarkation to the port of discharge.

THE CHAIRMAN: No, another vessel takes it up again.

SIR WILLIAM LYNE: I am not quite sure what the effect of this may be—the word "usually"—because we have, I think, tried to define it in previous resolutions for the purposes of this resolution; we have said that a vessel shall be deemed to trade if she takes on board passengers or cargo to be carried to or landed at any other port in the Colony. Now, that is what we decided before lunch—at least, that is the summary that I think the acting President brought up—and if you put in the word "usually" it comes into conflict with this resolution, and does away with what we intended. A tramp may come, and bring a cargo, and trade from port to port, but she does not "usually" trade there, and this was intended to meet the case where a tramp came under those circumstances, but was not usually carrying on the trade. So if you put in the word "usually" there, I am afraid it will give rise to complications.

HON. DUGALD THOMSON: "Through bill of lading" is quite enough.

THE CHAIRMAN: I think that makes it clear. "A vessel usually engaged in the overseas trade shall not be deemed to engage in the coasting trade merely because it carries between two Australian or New Zealand ports (a) passengers holding through tickets to or from some overseas place; (b) merchandise consigned on through bill of lading to or from some overseas place."

HON. W. M. HUGHES: Yes; but the point is this. No doubt we know what the bill of lading will do, but we are supposing that the ship A puts this cargo out at Fremantle. Then ship B comes along and takes it to Albany, Adelaide, or some other place, or to Hobart. Now, what we want to insure is that ship B is engaged in the overseas trade. Therefore, if you knock out the word "usually," it will read, "no vessel engaged in the overseas trade shall be deemed to be engaged in the coasting trade" merely by reason of the fact that it takes merchandise on a through bill of lading from one port of the Commonwealth to another. Then you see you will insure that the second vessel shall be engaged at that particular time and on that occasion in the overseas trade.

MR. NORMAN HILL: We are in favour of leaving out the word "usually." I think it is clearer.

THE CHAIRMAN: Very well. "A vessel engaged in the overseas trade shall not be deemed to engage in the coasting trade merely because it carries between two Australian or New Zealand ports (a) passengers holding through tickets to or from some overseas place; (b) merchandise consigned on through bill of lading to or from some overseas place." All of that opinion, say "Aye."

MR. BELCHER: I am not satisfied yet with regard to the position of New Zealand in connection with

this matter. Let me state a case with regard to our own conditions. The Shaw-Savill Company, for instance, run one of their big overseas ships to Auckland. It suits their purpose to tranship their goods from Auckland to the other New Zealand ports which they have cargo for. Now, am I to understand this—that if the Shaw-Savill Company choose to take a vessel owner and registered in Great Britain, under British articles of agreement, and trading on the New Zealand coast, and running down to Auckland and Wellington—do I understand that that vessel is not engaged in the coasting trade merely because she is carrying through goods on a through bill of lading?

MR. LLEWELLYN SMITH: The vessel itself must be engaged in the overseas trade.

THE CHAIRMAN: That is why Mr. Hughes insisted upon the vessel and not the goods. It was to cover your point that Mr. Hughes insisted upon this being the leading sentence.

MR. BELCHER: We will assume another case where the ship is an overseas ship. Assuming the same Company, under the same conditions, has a ship full of cargo at Auckland; they have a vessel laid up in Wellington with nothing to do, waiting for cargo. Do I understand that that ship, because it is an overseas ship, can be taken out of Wellington Harbour and taken to Auckland, and take that cargo down the coast to New Zealand?

MR. NORMAN HILL: As part of the voyage overseas.

HON. W. M. HUGHES: Do I understand that that can be done?

THE CHAIRMAN: You are putting another point now. What you want to get at is establishing a regular service, as it were, between New Zealand and Australia. You are putting a totally different point now. You are putting a vessel really engaged in the overseas trade, which has been laying up in Wellington Harbour for six or seven months, as the case may be, because it has been unable to find anything to do. That is a different case. She is a *bona fide* overseas vessel.

SIR JOSEPH WARD: It is absolutely clear in our country. What would be done in a case of the kind referred to by Mr. Belcher would be this. The Shaw-Savill Company, or any other company that has one of their own steamers in a New Zealand port, could take that cargo from Auckland to any other port, and land it, but could take no cargo from New Zealand on the coast. In practice, that is the usual course. What is done is, that a steamer arriving at a port which is not intended to go beyond that port, tranships to the local steamers under some arrangement.

THE CHAIRMAN: Now it is clear that what you want is to get at the ship—the character of the ship—whether she is really an overseas ship, or whether she is only nominally an overseas ship, but really a vessel engaged habitually in the coasting trade. If the latter, then she ought to be excluded. I think your resolution carries out this, but if you introduce words of this kind, you would complicate it, and rather weaken the resolution.

HON. W. M. HUGHES: I take it, that if such words were interpreted in an Act of Parliament, the Court would say that "oversea trade" meant *bona fide* engaged in overseas trade—not merely nominally engaged, but *bona fide*. At least, in drafting a section, I take it that that is what we should aim at.

THE CHAIRMAN: Unless there is anything further to be said about that, I think we may pass from it. Is there anything else on item 1 on the Agenda?

MR. LLEWELLYN SMITH: Mr. President, on the Agenda of the last Conference we put down the question of licenses for the coasting trade. By an accident that has slipped out here, but possibly it would be well before passing from this question of the classes of voyages to which Colonial conditions should be applicable, that I should just ask a question about that, because in the Australian Bill (the old Bill) it was proposed to insert licenses for the coasting trade to foreign vessels—not British vessels. There was a power of exemption in certain cases—to save treaty rights, I imagine. In the Royal Commission recommendation, the obligation to obtain a license was extended to all